



# Committee On Finance

Max Baucus, Ranking Member

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## NEWS RELEASE

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### **Baucus Calls for Normal Trade Relations for Laos**

*Chairman and Ranking Member of Finance Committee Introduce NTR Legislation*

(WASHINGTON, D.C.) U.S. Senators Max Baucus and Chuck Grassley, Ranking Member and Chairman of the Senate Finance Committee, today joined together to introduce legislation that would provide Laos with Normal Trade Relations (NTR). Baucus urged quick passage of the bill, citing that Laos is the only country with which the United States has full diplomatic relations that does not have NTR.

NTR, formerly known as Most-Favored-Nation Treatment, generally provides that all countries the U.S. trades with are treated equally and ensures that any trade benefits or concessions accorded to one country apply to all.

"The denial of NTR to Laos is an unfortunate continuing after-effect of the Vietnam War, which should now be corrected given Laos's cooperation in accounting for U.S. prisoners of war and MIA's since the Vietnam War, and the country's support for our counterterrorism efforts since September 11," Baucus said. "Providing Laos with NTR could significantly improve the country's economy and help their people. Currently, half the population lives below the government's own defined poverty line, which is unacceptable. We need to pass this legislation quickly."

Baucus stated that Laos has taken a number of steps showcasing the country's commitment to working together with the United States. For example, Laos and the U.S. have a long-term bilateral counter-narcotics program in place, which involves multimillion-dollar crop substitution and a rural development program. Laos has taken additional steps to wage a war on the production of illegal drugs by forming its own national committee on narcotics, developing a long-range strategy for counter-narcotics activities, participating in U.S.-sponsored narcotics training programs, and working to improve law enforcement measures to combat the narcotics problem.

The United States and Laos have also negotiated a bilateral trade agreement, which concluded in 1997 and was signed in September 2003.

"Our bilateral trade agreement was an important step forward that obligates Laos to open its markets to U.S. goods and services and to protect U.S. intellectual property rights, but this agreement can't go into effect until NTR is granted to Laos," Baucus added. "Granting NTR to Laos will create opportunities to open the society and improve human rights, religious freedom, and the rule of law in Laos. The country has a lot of work to do, but by granting NTR, we'll bring Laos more fully into the trade fold and help alleviate a number of their economic and societal problems."

As proof of the abilities of NTR to improve economies, Baucus added that more than 200,000 jobs have been created in Cambodia since that country received NTR in 1996.

Eleven members of the U.S. House of Representatives, led by Representative Phillip Crane (R-Ill.), introduced the identical legislation in the House today.

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